

IN THE UNITED STATES BANKRUPTCY COURT  
IN AND FOR THE DISTRICT OF DELAWARE

IN RE: : Chapter 11  
W.R. GRACE & CO., et al. : No. 01-1139 (JJF)  
Debtors. : Jointly Administered

Wilmington, Delaware  
Monday, November 5, 2001 at 2:00 o'clock, p.m.

BEFORE: HONORABLE JOSEPH J. FARNAN, JR., U.S.D.C.J.

APPEARANCES:

PACHULSKI STANG ZIEHL YOUNG & JONES  
BY: DAVID W. CARICKHOFF, JR., ESQ.

and

KIRKLAND & ELLIS  
BY: DAVID BERNICK, ESQ., and  
JAMES W. KAPP, III, ESQ.

Counsel for Debtors

STROOCK & STROOCK & LEVAN, LLP  
BY: ROBERT RASKIN, ESQ., and  
KENNETH PASQUALE, ESQ.

Counsel for Official Committee  
of Unsecured Creditors

Brian P. Gaffigan  
Official Court Reporter

1           At this point in time, your Honor, we are indeed  
2 ready to proceed. I'm not sure though that I share counsel's  
3 optimism about being able to complete that exercise in a two  
4 hour period of time. Frankly, I think it will be more like a  
5 half day, if not more.

6           THE COURT: All right. Does anyone else wish to  
7 be heard?

8           MR. LOCKWOOD: One very minor point, your Honor,  
9 Mr. Bernick, in his presentation, mentioned that the debtors  
10 had some intention of filing a reply brief. The opposition  
11 to this brief were filed on September the 10th. It's now  
12 November the 5th. The debtors have had two months to file  
13 a reply brief. If they're going to take such a leisurely  
14 approach to this, my only concern is I would like to have  
15 there be a sufficient lag between the time that we have the  
16 hearing and the time we get their reply brief so we could at  
17 least be prepared to orally respond to it at the hearing. So  
18 if your Honor, as part of the scheduling, could set a date  
19 for the filing of that reply brief that would create that  
20 window for us, I think that would be appropriate and fair.  
21 Thank you.

22           THE COURT: All right. We have available the  
23 afternoon of November 21st, commencing at 12:00 noon, and we  
24 also have available December the -- I wrote down the wrong  
25 date, actually. November 21st or December the 19th. You

1 can confer with each other and pick whatever date you want,  
2 whichever of the two days you would rather have.

3 MR. BERNICK: We'd very, very much like to have  
4 the November 21st date just because that would be another,  
5 basically a month slippage if we went to December. And in  
6 fairness to Mr. Lockwood's point, we would be filing the  
7 reply brief probably before the end of this week in any  
8 event so there would be more than adequate time for him to  
9 prepare his response to that. So we would ask the Court to  
10 set November 21.

11 THE COURT: All right. Do you agree on November  
12 21st?

13 MR. BAENA: We would be prepared, your Honor. If  
14 I may inquire?

15 THE COURT: And you will have your half day then.

16 MR. BAENA: Yes, sir.

17 THE COURT: You could have your half day that  
18 day.

19 MR. BAENA: Yes, sir. If I could just inquire  
20 of the Court, there is, the case management proposal as  
21 it was framed by the debtor included a separate track for  
22 transfer claims which you heard about several times in the  
23 course of this case. The property damage and bodily injuries  
24 committees have jointly made two motions in respect of the  
25 fraudulent transfer claims and my question is whether that